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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

19 November 1951

SUBJECT: DRAFT TERMS OF REFERENCE: NIE-49: SWEDEN'S POSITION IN THE EAST-WEST CONFLICT (For consideration of the Board)

THE PROBLEM

To analyze Sweden's present attitudes and policies toward East and West, and to assess Sweden's strategic importance.

DISCUSSION

- I. WHAT ARE SWEDEN'S ATTITUDES AND POLICIES RELATING TO INTERNATIONAL AFFAIRS?
 - A. Sweden's fundamental foreign policy objectives.
 - What does Sweden mean by an "alliance-free" policy? What accounts for it? Fear of Soviet military and economic power? Force of tradition?

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- 2. Do the Swedes expect to escape involvement in a possible European war?
- 3. To what extent does economic necessity shape Swedish foreign policy?
- B. Sweden's attitude toward the USSR and its Satellites.
 - 1. Are Swedes generally hostile toward the USSR?

 Its European Satellites? Are they moved to any significant degree by Soviet "peace" propaganda?

 What is the state of Swedish relations, political and economic, with the Soviet Bloc?
 - 2. Do they feel vulnerable to Soviet economic pressure? Political pressure? Military pressure?
 - 3. Do they feel vulnerable to subversive action within Sweden?
 - 4. Would they resolutely resist Soviet armed attack?
 - 5. In what circumstances, if any, might Sweden be pressured or persuaded to cooperate militarily with the USSR?
- C. Sweden's attitude toward the US and its Western Allies.
 - 1. To what extent do Swedes share the ideological and international views and aims of the US and the

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Western European powers? What is the state of Swedish relations, political and economic, with the Western Powers?

- 2. Do Swedes expect that the West would come to Sweden's aid in any event and, in so doing, be effective; or do they believe that the West would be unable effectively to come to Sweden's aid?
- 3. Are Swedes unreservedly behind the "alliance-free" policy? To what extent is Sweden's "neutrality" qualified by its obligations under the UN? By its special relations with the other Scandinavian powers? By its economic cooperation with the West, including the control of strategic exports to the Soviet Bloc? By dissimilar treatment of Western and Soviet Bloc officials? Is there any discernible trend toward closer relations with the West?
- 4. In what circumstances, if any, might Sweden be pressured or persuaded to join the NATO or, at least, to cooperate in Western military planning?

 Addition of Germany to the NATO? Soviet assumption of control over Finland? A Soviet attack on the

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NATO area? Substantial growth of Western military strength? Need for military equipment?

II. WHAT IS SWEDEN'S STRATEGIC IMPORTANCE?

- A. During the cold war.
 - 1. Are Sweden's strategic industries capable, in conjunction with external military purchases now being received, to maintain competent armed forces?
 - 2. Are Sweden's strategic industries producing for the benefit of the Soviet Bloc? Mining? Engineering, including ball bearings? Munitions, including scientific research and development? Ship-building?
 - 3. Are these industries producing for the benefit of the West?
 - Would adherence to the NATO lead to any significant improvement in Sweden's defense capabilities?

 Military equipment? Tactics? Installations? Would it lead to any significant improvement in the NATO's capabilities? Would joint planning in advance of possible hostilities produce important military benefits? Might it also evoke economic reprisals by the Soviet Bloc against Sweden? Might it raise a threat to Finland's independence?

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- B. In the event of general war, how would the strategic and tactical situation be affected if:
 - 1. Sweden desired, and was permitted, to remain neutral? Would Sweden's economic dependence on the Soviet Bloc, considering the probable unavailability of fuel from the West, compel Sweden to be benevolently neutral toward the USSR? Would the Soviet Bloc thus obtain Sweden's industrial products without having had first to conquer the country? Would Western military operations be seriously hampered by a neutral Sweden? How would the approaches to the Baltic Sea be affected? The air routes to Soviet targets? The northern flank of Europe? What would be its value for intelligence purposes?
 - 2. Sweden was attacked by the USSR and actively resisted?
 What would be the fighting value of the Swedish armed forces? Could they resist effectively? Could Sweden's military efforts affect the main battle in Europe favorably for the West? Would they draw off Soviet forces otherwise employable on another front? Would Sweden's military facilities be of use to the NATO

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forces? Would Sweden be an effective buffer for Norway? Would subversive elements in Sweden be capable of achieving serious disruption? Would the Swedes continue guerrilla warfare if their organized resistance were broken?

3. Sweden joined or captulated to the USSR? Would consequent Soviet domination of the Baltic Sea and the northern European flank critically affect the main battle in Europe? Would Swedish forces conceivable fight against the Western powers? Would they possibly attempt to flee to the West in order to join "liberation" forces? Would Swedish industry contribute significantly to the Soviet war economy? Would there be an important resistance movement in Sweden? Could the Soviet Bloc supply Sweden with adequate quantities of needed raw materials?

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